

# Mississippi 2001 Allocable and Apportionable Capital Gains and Losses Schedule

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Name of Taxpayer	EIN
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**Part I Short Term Capital Gains and Losses (Assets held 1 Year or Less)**

1. (a) Kind of Property & Description (Example - 100 shares of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date Sold (mo., day, yr.)	(d) Gross Sales Price	(e) Cost or Other Basis, plus Expense of Sale	(f) Allocable Gain or Loss (d minus e)	(g) Apportionable Gain or Loss (d minus e)
2. Total Apportionable Gain or Loss. (Add Line 1, Column g)						
3. Enter Apportionment Ratio from Form 83-125, Part II.						
4. Total Allocable Gain or Loss (Add Lines 1, Column f and enter Result in this Line, Column f.) Total Apportionable Gain or Loss (Multiply Line 2 by Line 3 and enter result in this Line, Column g.)						
5. Total Short Term Capital Gain or Loss (Add Line 4, Column f plus Column g.)						
6. <b>This line is not applicable if filed by a Partnership or S Corporation.</b> Capital Loss Carryover (Only Losses sustained in Years beginning on or after January 1, 1992 are eligible. If a capital loss carryover is shown, attach a copy of all prior year Forms 62-315 and 83-135 and a schedule showing how and when any Mississippi capital loss carryover has been used).						
7. Net Short Term Capital Gain or Loss (Line 5 plus Line 6.)						

**Part II Long Term Capital Gains and Losses (Assets held more than 1 Year. Complete Part IV before Completing this Part.)**

8. (a) Kind of Property & Description (Example - 100 shares of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date Sold (mo., day, yr.)	(d) Gross Sales Price	(e) Cost or Other Basis, plus Expense of Sale	(f) Allocable Gain or Loss (d minus e)	(g) Apportionable Gain or Loss (d minus e)
9. Enter in Column g the apportionable amount of Capital Gain reported on Federal Form 4797 and Sch. D						
10. Total Apportionable Gain or Loss. (Add Line 8, Column g and Line 9, Column g.)						
11. Enter Apportionment Ratio from Form 83-125, Part II.						
12. Total Allocable Gain or Loss (Add Line 8, Column f and enter Result in this Line, Column f.) Total Apportionable Gain or Loss (Multiply Line 10, Column g times Line 11, Column g and enter result in this Line, Column g.)						
13. Total Long Term Capital Gain or Loss (Add Line 12, Column f plus Column g.)						
14. Enter Gain from Form 83-140, Line 5.						
15. Net Long Term Capital Gain or Loss (Line 13 plus Line 14.)						

**Part III A Summary of Parts I and II (C-Corporations Only)**

16. Enter Excess of Net Short Term Capital Gain over Net Long Term Capital Loss. (Line 7 minus Line 15.)	
17. Enter Excess of Net Long Term Capital Gain over Net Short Term Capital Loss. (Line 15 minus Line 7.)	
18. Add Lines 16 and 17 and Enter here and: C-Corporation-Form 83-122, Line 20 or Form 83-124, Line 8.	

**Part III B Summary of Parts I and II (S-Corporations and Partnerships)**

19. Combine the amounts on Lines 7 and 15. Enter Net Gain or Loss here and: S-Corporation - Form 85-122, Line 22 or Form 83-124, Line 8; or Partnership - Form 86-105, Line 11 or Form 83-124, Line 8.	
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**Part IV Long Term Capital Gains from Sales of Certain Interests in Domestic (Mississippi) Corporations, Limited Partnerships, or LLCs**

This Section must be completed for those sales of assets, stock, or interest that qualify for exemption under Section 27-7-9(f)(10) as amended in 1997. (See copy of amended statute on back of this form.) Do not include those exempt gains in Part II. **This section is for information purposes only.**

(a) List the Kind of Property and Description: (Example - 100 shares of "Z" Co.; Interest in ABC Limited Partnership)	(b) Date acquired (mo., day, yr.)	(c) Date Sold (mo., day, yr.)	(d) Gross Sales Price	(e) Cost or Other Basis, plus Expense of Sale	(f) Amount of Gain (d minus e)

Are you claiming, or have you claimed within the past two (2) years, a loss on the sale of stock and/or interests in a domestic (Mississippi) corporation, limited partnership, or limited liability company? If you checked yes, refer to Section 27-7-9(f)(10) as amended in 1997.

Yes ☐ No ☐

# Mississippi Allocable and Apportionable Capital Gains and Losses Schedule

## INSTRUCTIONS:

**NOTE: A copy of the Federal Schedule "D" must be attached.**

The following criteria should be used to determine whether Form 83-135 must be completed:

1. The entity (on a separate company basis) has or would have a capital loss carryforward from prior years for federal tax purposes;
2. The entity (on a separate company basis) has or would have generated a capital loss carryforward in the current year for federal tax purposes;
3. The entity has a Mississippi capital loss carryforward;
4. The entity generated a Mississippi capital loss carryforward in the current year;
5. The entity is multistate and has allocable capital gain or loss; or
6. The entity has Mississippi exempt gain under Section 27-7-9(f)(10).

Form 83-135 must be completed by a C-corporation if any of the above statements are true. A multistate S-corporation or a multistate Partnership is required to use this form if either statement five (5) or six (6) is true. An S-corporation or Partnership which is not multi-state (100% Mississippi sourced income) and does not make a composite return filing is required to use this form if statement six (6) is true.

Form 83-140, Sales of Property for Allocable Gain or Loss, should be completed whenever Form 83-135 is required. If a corporation is required to use this form, it must include its apportionable gain (column g) as well as its allocable gain (column f). It is necessary to include the apportionable gain in order to correctly compute any Mississippi capital gains, capital loss carryforward, or capital loss carryback. If losses exceed gains, Mississippi allows for a three (3) year carryback and a five (5) year carryforward. The capital loss carryforward/carryback schedule on form 83-155 must be completed with any return in which Form 83-135 is required to be filed. The schedule must show both the year a loss is generated and the year in which it is applied.

## Law

The 1997 Regular Session of the Mississippi Legislature amended Section 27-7-9 of the Mississippi Code of 1972 to clarify how gains that are not recognized from the sale of interests in certain Mississippi businesses are treated for income tax purposes and for related purposes. The amendment was effective March 18, 1997 and codified in section 27-7-9(f)(10). The amendment, with changes underlined, reads as follows:

### **Section 27-7-9(f)(10):**

(10) Sales of certain interests in financial institutions domiciled in Mississippi, domestic corporations, domestic limited partnerships or domestic limited liability companies.

(A) No gain shall be recognized from the sale of authorized shares in financial institutions domiciled in Mississippi and domestic corporations, or partnership interests in domestic limited partnerships and domestic limited liability companies, that have been held for more than one (1) year; provided, however, that any gain that would otherwise be excluded by this provision shall first be applied against, and reduced by, any losses determined from sales or transactions described by this provision if the losses were incurred in the year of the gain or within the two (2) years preceding or subsequent to the gain.

(B) No gain shall be recognized from the sale of all or at least ninety percent (90%) of the assets in domestic corporations except those assets that represent the ownership interest of another entity provided:

- (i) The assets of the corporation have been held for more than one (1) year;
- (ii) The corporation is totally liquidated and dissolved within one (1) calendar year from the date of the sale of all or at least ninety percent (90%) of the assets of the corporation; and
- (iii) The depreciation and/or amortization that has been taken on the assets of the corporation shall be recaptured and taxed as ordinary income in the same manner as provided for in Section 1245 of the Internal Revenue Code, as amended, and any corresponding regulations relating to Section 1245 property. All depreciation and/or amortization shall be recaptured up to cost prior to any nonrecognition of gains.

"Domestic" means the corporation, limited partnership, or limited liability company must have been incorporated or formed in the State of Mississippi.